

SECURITY FREEZE INFORMATION FOR KENTUCKY RESIDENTS

If you live in Kentucky, you have the right as of July 12, 2006, to put a “security freeze” on your credit report with each credit reporting agency. A security freeze means that your credit report cannot be shared with others, such as potential creditors, without your authorization. A security freeze may help prevent identity theft, because most businesses will not open credit accounts without first checking your credit report. Additionally, if someone changes information about your name, address, birth date, or Social Security Number in a frozen credit report, the credit reporting agency must send written confirmation of the change to you within 30 days.

Each credit reporting agency may charge you up to \$10 for security freezes, but there is no fee for an identity theft victim who provides a valid police report upon request. The amount of the fee is subject to a yearly Consumer Price Index (CPI) adjustment.

HOW TO “FREEZE” YOUR CREDIT REPORT

To put a security freeze on your credit report, send a written request by certified mail to the credit reporting agency, with proper identification, and with the required fee. Unless you are an identity theft victim and can provide a valid police report, each credit bureau may charge a fee of up to \$10 to place the freeze. (The fee is subject to annual increases at the beginning of each year, based on the CPI.)

You may want to contact each credit bureau to confirm the amount of the fee and any special information they need with your request. The addresses and telephone numbers for the three main credit bureaus are listed below. Internet website addresses for each bureau are shown with the sample letters.

After receiving the request, the credit bureau must place the freeze within 10 business days of receiving your request and send you a password or Personal Identification Number (PIN) to use for temporarily lifting or removing the security freeze. Sample request letters are provided below.

Equifax Security Freeze P.O. Box 105788 Atlanta, GA 30348 800-685-1111 (Link to sample letter)	Experian Security Freeze P. O. Box 9554 Allen, TX 75013 888-397-3742 (Link to sample letter)	TransUnion Security Freeze P. O. Box 6790 Fullerton, CA 92834 888-909-8872 (Link to sample letter)
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HOW TO MAKE CHANGES TO YOUR SECURITY FREEZE

You may allow access to your credit report for a specific period of time after you have placed a security freeze (“temporarily lifting”), or you can permanently remove the freeze. Some reasons for temporarily lifting a security freeze include obtaining credit, or to allow a potential employer or lessor to see your credit report, where you don't want to permanently remove the freeze. To do so you must contact each credit bureau from which you want to temporarily lift or permanently remove the freeze and provide proper identification and the fee (up to \$10). Again, you may want to contact the credit bureau for specific information about temporarily lifting or permanently removing a freeze.

Be sure that you plan ahead and make the request well ahead of time, because the credit bureau has 3 business days to comply after receiving your request.

HOW LONG DOES YOUR SECURITY FREEZE LAST?

The security freeze will remain on your credit report for up to seven years from the date it was put in place, unless you temporarily lift or permanently remove it sooner. A temporary lift will only last for the period of time you specify, after which the credit reporting agency must close the temporary lift (putting the credit report back into “freeze”).

However, if a security freeze is placed because you make a material misrepresentation of fact, the credit reporting agency may temporarily lift or permanently remove the freeze without your authorization, but only after providing prior written notice to you.

REQUESTING A NEW P.I.N. OR PASSWORD

You may request a new PIN or password at any time. To do so, send a written request by certified mail (addresses shown above) to the credit bureau, with proper identification and any required fee. You may want to contact the credit bureau for specific information about requesting a new PIN or password.

After receiving the request, the agency has 10 business days to provide you with a new, unique PIN or password.

WHO CAN GET YOUR CREDIT REPORT DURING A SECURITY FREEZE

Even if a security freeze is in effect on your credit report, the credit reporting agency may provide it without your authorization, to:

- government entities, including a law enforcement agency or court
- private collection agencies (but only to assist in collecting a debt from you)
- anyone to whom you owe a financial obligation (but only to review the account, collect the obligation or facilitate an extension of credit)
- persons using the credit report for making prescreened offers of credit as allowed by federal law
- consumer reporting agencies in order to give a copy of your credit report to you
- child support enforcement agencies
- resellers of credit information (but a consumer reporting agency acting as a reseller must honor any freeze placed on the credit report received by another consumer reporting agency)
- check services or fraud prevention services companies
- deposit account information service companies
- persons using the report to prepare for a civil or criminal action
- insurance companies, to investigate claims, set or adjust rates, or underwrite property and casualty insurance

ENFORCEMENT OF YOUR SECURITY FREEZE RIGHTS

If you believe that your security freeze rights have been violated, you may enforce your rights in state court.

If the violation was due to a willful failure to comply with the security freeze law, the violator could be liable to you for your actual damages caused by the failure, liquidated damages of \$100 to \$1,000, punitive damages (in an amount allowed by the court), and your litigation costs and reasonable attorney's fees (in amounts allowed by the court).

If the violation was due to a negligent failure to comply with the security freeze law, the violator could be liable to you for your actual damages caused by the failure and your litigation costs and reasonable attorney's fees (in amounts allowed by the court).

You may also file a consumer complaint with the Kentucky Attorney General's Office of Consumer Protection. The form is available on the internet at <http://ag.ky.gov/consumer/complaints/forms.htm> or you can call 1-888-432-9257 to ask that a form be mailed to you.

OTHER QUESTIONS

What is the difference between a fraud alert and a freeze? A fraud alert is a special message on the credit report, requested by the consumer, that a credit issuer receives when checking a consumer's credit rating. It is allowed by federal law, not by state law. A fraud alert tells the credit issuer that there may be fraud involved in the account. A fraud alert can help protect you against identity theft, and it can also slow down your ability to get new credit. However, a fraud alert should not stop you from using your existing credit cards or other accounts.

A security freeze, which is also requested by the consumer, means that your credit report cannot be seen unless you give your consent (subject to the exceptions discussed above). It is allowed by state law, not by federal law. Most businesses will not open new credit accounts without first checking a consumer's credit history, so having a security freeze in effect may prevent you from immediately opening new accounts unless you have temporarily lifted the freeze. If your credit reports are frozen, even someone who has your name and Social Security number probably would not be able to obtain credit in your name, unless they also have your security freeze PIN or password. A security freeze should not stop you from using your existing credit cards or other accounts.

Can I open new credit accounts if my credit reports are frozen?

Yes, but you will need to plan ahead to make sure that the freeze has been temporarily lifted during a time period that the creditor can access it. This may require that you coordinate access to your credit report with the person to whom you want to make the credit report available. See "How to Make Changes to Your Security Freeze" above for more information about temporary lifting a security freeze.

Keep in mind that a third party may treat a credit application as incomplete if it requests access to a consumer report in connection with the application and cannot obtain the consumer report or credit score because of the freeze.

What will a creditor who requests my file see if it is frozen?

A creditor will see a message or a code indicating the file is frozen.

Can a creditor get my credit score if my file is frozen?

No. A creditor who requests your file from one of the three credit bureaus will only get a message or a code indicating that the file is frozen.

Can I order my own credit report if my file is frozen?

Yes.

Does freezing my credit report with one credit bureau freeze my credit reports with other credit bureaus?

No. Different credit issuers may use different credit bureaus. If you want to stop your credit report from being viewed you must make separate freeze requests with each credit bureau.

Does freezing my credit report also freeze my spouse's credit reports?

No. For both spouses to freeze their credit reports, both have to freeze their separate credit reports via separate letters requesting the freeze. Separate fees apply.

Will a freeze lower my credit score?

No.

Does freezing my file mean that I won't receive pre-approved credit offers?No. You can stop the pre-approved credit offers by calling 888-5OPTOUT (888-567-8688). Or you can do this online at www.optoutprescreen.com. This will stop the offers that go through the credit bureaus, but may not stop other offers. It's good for five years or you can make it permanent.

Can an employer do a background check on my credit report?

No. You would have to temporarily lift the freeze to allow a background check on your credit reports maintained by the credit bureaus, just as you would to apply for credit. The process for temporarily lifting the freeze is described above.

What law requires security freezes?

Kentucky's security freeze takes effect on July 12, 2006. The statutes are KRS 367.363 - 367.365, which are available online at <http://lrc.ky.gov/KRS/367-00/CHAPTER.HTM>. The law was passed as House Bill 54 in the 2006 Regular Session of the Kentucky Legislature. You may view HB 54 online at <http://www.lrc.ky.gov/record/06RS/HB54.htm>. You can also request a copy of the bill from the Legislative Research Commission, Public Bill Room, Capitol, Frankfort, KY 40601 or call (502) 564-8100 and ask to be transferred to the Public Bill Room.

PROTECT YOURSELF FROM IDENTITY THEFT

A security freeze is just one tool you can use to protect yourself from identity theft or after you have become a victim of identity theft.

What is Identity Theft?

Identity theft is a crime. It involves acquiring key pieces of someone's identifying information, such as name, address, date of birth, social security number and mother's maiden name, in order to impersonate them. This information enables the thief to commit numerous forms of fraud which include taking over a victim's financial accounts, opening new bank accounts, applying for loans, credit cards and social security benefits, using existing credit accounts to run up charges, writing bad checks, renting apartments, buying cars and establishing services with utility and phone companies. Thieves will ruin their victim's credit. They will also use their victim's name when committing crimes or driving offenses, resulting in warrants being issued in the victim's name.

How does identity theft occur?

Offenders who commit identity theft may or may not know the victim. The offender may obtain personal information, including information related to financial accounts, from trash bins, mailboxes, stolen wallets or purses, using email or the Internet or from dishonest personnel who work at banks, mortgage firms, social or credit agencies, doctor's offices, collection agencies and other businesses where personal or credit information can be accessed.

How to avoid identity theft.

All consumers should take the following steps to prevent identity theft from occurring:

- Review credit reports from each of the 3 major credit bureaus once a year.
- Place passwords on your credit card, bank and phone accounts.
- Secure personal information in your home.
- Ask about information security procedures in your workplace.
- Don't carry your social security card with you; leave it in a secure place.
- Don't give out your social security number unless it is absolutely necessary; ask to use other types of identifiers when possible.
- Don't give out personal information over the phone, through the mail or over the internet unless you have initiated the contact or are sure you know with whom you are dealing.
- Guard your mail and trash from theft.
- Destroy offers of credit received in the mail that you do not respond to; you may choose to opt-out of receiving prescreened offers of credit.
- Carry only the identification information and the number of credit/debit cards that you actually need.
- Pay attention to your billing cycles — follow up with creditors if bills do not arrive on time.
- Be wary of promotional scams.
- Keep your purse or wallet in a safe place at work.
- Notify your credit card company if you are planning to travel out of state.

What to do if you are a victim of identity theft.

If you are a victim of identity theft, or believe you may be a victim, it is important that you take the following steps:

- Get an Identity Theft Victim's kit from the Kentucky Attorney General's Office or the Federal Trade Commission.
- Place a fraud alert on your credit reports and review your credit reports
- Place a security freeze on your credit reports.
- Close any accounts that have been tampered with or opened fraudulently.
- File a police report and ask for a copy for your records
- File a complaint with the Federal Trade Commission and the Attorney General's Office.
- Write down the name of anyone you talk to, what s/he told you, and the date of the conversation.
- Follow-up in writing with all contacts you have made about the identity theft on the phone or in person. Use certified mail, return receipt requested, for all correspondence regarding identity theft.
- Keep all copies of all correspondence or forms relating to identity theft.
- Keep the originals of supporting documentation, like police reports and letters to and from creditors; send copies only.
- Keep old files even if you believe the problem is resolved, just in case.

You can also visit the following internet websites for more information:

INTERNET RESOURCES	
<u>Kentucky Attorney General, Office of Consumer Protection</u> Contains links to an ID theft victim kit, the free annual credit report website, the Federal Trade Commission's website, and other information and tips for victims	http://ag.ky.gov/consumer/identity/
<u>Federal Trade Commission</u> The FTC's website has extensive information about identity theft and steps to minimize the risk of identity theft	http://www.consumer.gov/idtheft/
<u>AnnualCreditReport.com</u> Website maintained by the 3 credit bureaus for requesting a free credit report (1 per year from each bureau). Checking your credit report regularly is a good way to deter identity theft. This website also has links to the credit bureaus' websites, each of which has extensive information about identity theft and protecting credit report information	https://www.annualcreditreport.com
<u>Privacy Rights Clearinghouse</u> Website has extensive information regarding several privacy issues, including identity theft	http://www.privacyrights.org/identity.htm
<u>Identity Theft Resource Center</u> Website has extensive information regarding identity theft and actions for identity theft victims to take	http://www.idtheftcenter.org

THIS FACT SHEET IS FOR INFORMATIONAL PURPOSES AND SHOULD NOT BE CONSTRUED AS LEGAL ADVICE OR AS THE POLICY OF THE COMMONWEALTH OF KENTUCKY. IF YOU WANT ADVICE ON A PARTICULAR CASE, YOU SHOULD CONSULT AN ATTORNEY OR OTHER EXPERT. THE FACT SHEET MAY BE COPIED, IF (1) THE MEANING OF THE COPIED TEXT IS NOT CHANGED OR MISREPRESENTED, (2) CREDIT IS GIVEN TO THE KENTUCKY ATTORNEY GENERAL'S OFFICE, AND (3) ALL COPIES ARE DISTRIBUTED FREE OF CHARGE.

LINKS TO OTHER WEBSITES SHOULD NOT BE CONSIDERED AN ENDORSEMENT OF THE VIEWS OR POSITIONS OF PRIVATE ORGANIZATIONS OR OF ANY VIEWS OR POSITIONS STATED ON THEIR WEBSITES.

Sample Freeze Letter to Equifax

For the most current information, contact Equifax at 800-685-1111, or visit Equifax's website (shown below) to confirm the amount of the fee and any other information that must accompany your request.

(Equifax home page)

(Equifax website - security freeze information)

<http://www.equifax.com>

https://www.econsumer.equifax.com/consumer/sitepage.ehtml?forward=earning_credit15

[Date]

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348

Dear Equifax:

I would like to place a security freeze on my credit file.

My name is: _____
My current address is: _____
My former address was: _____
My Social Security number is: _____
My date of birth is: _____

As proof of my current address I am including a copy of my _____ (current utility bill, or other bill showing your name, current mailing address, and recent date of issue; do not use credit card statements, voided checks, lease agreements, magazine subscriptions or postal service forwarding orders as proof).

[CHOOSE ONE OF THE FOLLOWING REGARDING THE FEE:]

I am an identity theft victim and a copy of my police report or DMV investigative report of identity theft is enclosed. Accordingly, there should be no fee.

OR

I will pay the fee of \$___ for placing the freeze by (circle one):

personal check American Express Mastercard VISA Discover Card

Name of the person as it appears on the credit card: _____

Complete account number: _____

Expiration date (month and year): _____

For American Express – 4 digit Card Identification Number

(on front of card above the account number): _____

For Mastercard, VISA, or Discover Card – 3 digit Card

Identification Number (on back of card at the end of the account number): _____

Yours truly,

Sample Freeze Letter to Experian

For the most current information, contact Experian at 888-397-3742, or visit Experian's website (shown below) to confirm the amount of the fee and any other information that must accompany your request.

(Experian home page):

<http://www.experian.com>

(Experian website - security freeze information):

http://www.experian.com/consumer/security_freeze.html

[Date]

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013

Dear Experian:

I would like to place a security freeze on my credit file.

My full name (including middle initial) is: _____
My Social Security number is: _____
My date of birth is: _____
My current address is: _____
My previous addresses for the previous 2 years were:

As proof of my identity I am including a copy of my _____ (driver's license, state ID card, military ID card, or other government issued identification card).

As proof of my current address I am including a copy of a my _____ (current utility bill, or other bill showing your name, current mailing address, and recent date of issue; do not use credit card statements, voided checks, lease agreements, magazine subscriptions or postal service forwarding orders as proof).

[CHOOSE ONE OF THE FOLLOWING REGARDING THE FEE:]

I am an identity theft victim and a copy of my police report or DMV investigative report of identity theft is enclosed. Accordingly, there should be no fee.

OR

I will pay the fee of \$___ for placing the freeze by (circle one):

personal check American Express Mastercard VISA Discover Card

Name of the person as it appears on the credit card: _____

Complete account number: _____

Expiration date (month and year): _____

For American Express – 4 digit Card Identification Number

(on front of card above the account number): _____

For Mastercard, VISA, or Discover Card – 3 digit Card

Identification Number (on back of card at the end of the account number): _____

Yours truly,

Sample Freeze Letter to TransUnion

For the most current information or to request a form, contact TransUnion at 888-909-8872 for their Security Freeze form, or visit TransUnion's website (shown below) to confirm the amount of the fee and any other information that must accompany your request.

(TransUnion home page)

(TransUnion website - security freeze information)

<http://www.transunion.com>

<http://www.transunion.com/content/page.jsp?id=/personalsolutions/general/data/securityFreeze.xml#5>

[Date]

TransUnion Security Freeze
P. O. Box 6790
Fullerton, CA 92834

Dear TransUnion:

I would like to place a security freeze on my credit file.

My full name (including middle initial) is: _____

My Social Security number is: _____

My date of birth is: _____

My current address is: _____

My previous addresses for the previous 2 years were:

As proof of my identity I am including a copy of my _____ (driver's license, state ID card, military ID card, or other government issued identification card).

As proof of my current address I am including a copy of a my _____ (current utility bill, or other bill showing your name, current mailing address, and recent date of issue; do not use credit card statements, voided checks, lease agreements, magazine subscriptions or postal service forwarding orders as proof).

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I will pay the fee of \$___ for placing the freeze by (circle one):

American Express Mastercard VISA Discover Card

Name of the person as it appears on the credit card: _____

Complete account number: _____

Expiration date (month and year): _____

Yours truly,